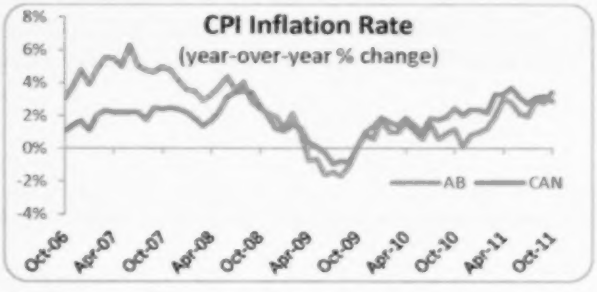
## Consumer Price Index (CPI)

***Alberta's inflation rate rises above national average...***

Alberta was the only province to not see its inflation rate decline in October. The Alberta consumer price index rose 3.4% year over year, an acceleration from the 2.8% pace set in September and ahead of the 2.9% national inflation reading. Headline inflation was fuelled by a 25.5% jump in energy prices, with gasoline and electricity prices up sharply. Alberta inflation has trended higher since early 2011, due primarily to the impact of energy prices. However, core inflation, which removes volatile food and energy components, remains relatively low at 1.1%, down from 1.4% in September.

Nationally, overall inflation edged down 0.3 percentage points (2.9%) while core CPI inflation rate came in at 2.1%. Both readings are within the Bank of Canada's inflation target band of 1-3%.




## Resale Housing

***Alberta home sales move higher...***

A strong labour market and low interest rates have helped support resale housing activity over the past year. Alberta's existing home sales rose 2.9% to 4,528 in October after almost no change in September. On a year-over-year basis, sales have surged 13.6% for their sixth consecutive increase. The sales-to-new listings ratio edged up to 0.52 from 0.50 in September, reflecting both the rise in sales and a 1.4% fall in listings. The ratio is consistent with what the Canadian Real Estate Association considers to be a "balanced" market. Meanwhile, average resale home prices fell 1.2% to $358,104 in October following four straight monthly increases. On a year over year basis, prices have appreciated at a moderate pace of 2.9%, behind the national increase of 7.6%.

## New Motor Vehicle Sales

***Alberta auto sales continue upward trend...***

Rising incomes and low interest rates have contributed to stronger automobile sales in Alberta this year. Alberta's new automobile sales advanced 1.1% to 19,098 units in September from the previous month. On a year over year basis, auto sales are up a solid 4.3%, the seventh consecutive annual increase and comparing favourably to the national decline of 0.4%.

**Canadian Dollar (US¢/C$)**

| | |
|---|---|
| November 18, 2011 | 97.45 |
| November 10, 2011 | 98.14 |
| *2011-12 Fiscal YTD Average* | 101.70 |

0.7%

**WTI Oil US$/bbl***

| | |
|---|---|
| November 18, 2011 | $97.67 |
| November 10, 2011 | $97.78 |
| *2011-12 Fiscal YTD Average* | $94.51 |

0.1%

**Nymex Natural Gas US$/MMBtu***

| | |
|---|---|
| November 18, 2011 | $3.32 |
| November 10, 2011 | $3.65 |
| *2011-12 Fiscal YTD Average* | *$4.09* |

9.0%

**Based on the closing price of the near month contract*

## Manufacturing Shipments

***Alberta shipments near pre-recession peak...***

Alberta manufacturing shipments soared 5.9% to $6.3 billion in September, the single largest monthly increase since May 2008 and well ahead of the national gain of 2.6%. The increase was bolstered by large gains in shipments of petroleum & coal products (21.6%) and machinery (+8.1%). Alberta's year-to-date growth in shipments of 17.5% was the highest among all provinces. Alberta manufacturing sales have recovered strongly since mid-2009 and are nearing pre-recession levels.

## Employment Insurance (EI)

***Fewer Albertans queue for unemployment benefits ...***

The number of Albertans queuing for unemployment insurance has trended lower over the last year. In September, the number of EI beneficiaries declined 7.3% to 29,900, not surprising given significant improvements in the labour market. Compared to same month last year, the number of EI beneficiaries is down 37.7%, the largest drop in the country and far surpassing the 2.7% national decline.

# Current Economic Indicators

| Population | 2009 | 2010 | 2011YTD* | May | June | July | Aug | Sep | Oct |
|---|---|---|---|---|---|---|---|---|---|
| Population [1] (000's) (level) | 3,672 | 3,721 | 3,779 | -- | -- | 3,779 | -- | -- | -- |
| % change | 2.2 | 1.3 | 1.6 | -- | -- | 1.6 | -- | -- | -- |
| Net Interprovincial Migraton [1] (level) | 13,184 | -2,183 | 13,660 | -- | -- | 4,720 | -- | -- | -- |
| Net International Migration [1] (level) | 16,835 | 21,533 | 22,081 | -- | -- | 7,080 | -- | -- | -- |
| Net Non-permanent Residents [1] (level) | 19,162 | -77 | -7,988 | -- | -- | 1,233 | -- | -- | -- |
| **Labour Market** | | | | | | | | | |
| Employment (000's) | 2,025 | 2,017 | 2,086 | 2,069 | 2,091 | 2,103 | 2,110 | 2,118 | 2,126 |
| % change | -1.3 | -0.4 | 3.5 | 2.8 | 3.5 | 3.8 | 4.2 | 4.8 | 4.3 |
| Unemployment Rate (%) | 6.6 | 6.5 | 5.6 | 5.4 | 5.6 | 5.5 | 5.6 | 5.4 | 5.1 |
| Participation Rate (%) | 74.3 | 72.9 | 73.6 | 72.9 | 73.7 | 73.9 | 74.1 | 74.2 | 74.1 |
| Average Weekly Earnings ($) | 950.01 | 993.13 | 1033.20 | 1035.77 | 1038.46 | 1026.42 | 1045.24 | -- | -- |
| % change | 2.8 | 4.5 | 4.7 | 4.8 | 4.7 | 2.6 | 4.4 | -- | -- |
| **Price Indices** | | | | | | | | | |
| Consumer Price Index | -0.1 | 1.0 | 2.2 | 2.8 | 2.1 | 1.9 | 2.9 | 2.8 | 3.4 |
| Excluding food and energy NEW! | 1.4 | 0.8 | 0.7 | 0.8 | 0.2 | 0.4 | 0.8 | 1.4 | 1.1 |
| Non-Res. Building Cons. Price Index [2] | -9.8 | -0.1 | 3.1 | -- | -- | -- | -- | -- | -- |
| Farm Product Price Index | -10.6 | -3.9 | 16.7 | 12.8 | 15.9 | 14.7 | 10.7 | -- | -- |
| Crops | -18.9 | -14.5 | 19.0 | 23.6 | 22.4 | 20.2 | 9.2 | -- | -- |
| Livestock | -2.8 | 5.7 | 16.6 | 10.9 | 13.4 | 13.2 | 14.2 | -- | -- |
| **Household Sector** | | | | | | | | | |
| Housing Starts (SAAR, 000's) | 20.0 | 27.1 | 24.7 | 25.2 | 23.7 | 25.6 | 31.2 | 24.6 | 31.6 |
| % change | -31.6 | 33.5 | -11.9 | -14.9 | -11.6 | -12.6 | 32.8 | -10.9 | 22.0 |
| New Housing Price Index | -9.0 | 0.5 | 0.3 | 0.3 | 0.3 | 0.1 | 0.2 | 0.0 | -- |
| Edmonton | -11.2 | -0.8 | 0.8 | 0.7 | 1.2 | 1.1 | 0.9 | -0.5 | -- |
| Calgary | -6.7 | 1.7 | -0.1 | 0.0 | -0.3 | -0.8 | -0.5 | 0.6 | -- |
| MLS Average Resale Prices ($ 000's) | 340.5 | 350.9 | 355.2 | 351.7 | 351.7 | 353.6 | 356.9 | 362.4 | 358.1 |
| % change | -3.1 | 3.1 | 0.7 | -2.4 | -1.3 | 0.4 | 2.4 | 2 | 2.9 |
| Edmonton NEW! | 319.1 | 326.5 | 324.8 | 322.7 | 322.6 | 326.1 | 325.5 | 332.5 | 326.9 |
| % change | -3.5 | 2.3 | -1.4 | -3.0 | -1.8 | 0.0 | -1.3 | 1.5 | 0.6 |
| Calgary | 384.3 | 397.4 | 402.2 | 403.7 | 399.3 | 399.2 | 405.7 | 408.5 | 402.6 |
| % change | -4.2 | 3.4 | 0.8 | -1.3 | -2.3 | -0.9 | 3.6 | -0.4 | 1.6 |
| Retail Sales | -8.3 | 6.0 | 6.1 | 8.0 | 7.6 | 6.4 | 6.4 | -- | -- |
| New Motor Vehicle Sales NEW! | -21.7 | 9.3 | 7.4 | 6.9 | 17 | 6.7 | 5.1 | 4.3 | -- |
| Consumer Bankruptcies | 9,986 | 8,150 | 4,929 | 617 | 649 | 534 | 595 | -- | -- |
| % change | 64.6 | -18.4 | -10.9 | -8.2 | -16.6 | -14.7 | -3.3 | -- | -- |
| **Business Sector** | | | | | | | | | |
| Rigs Drilling | 128 | 207 | 276 | 84 | 150 | 240 | 323 | 346 | 335 |
| % change | -45.6 | 61.3 | 42.2 | 50.4 | 26.9 | 20.8 | 45.4 | 95.5 | 28.7 |
| Goods Exports (customs based) | -36.6 | 12.4 | 14.4 | 14.6 | 12.8 | 16.4 | 27.1 | 27.4 | -- |
| Energy | -40.2 | 17.2 | 14.9 | 17.7 | 11.9 | 19.2 | 28.8 | 27.6 | -- |
| Agriculture | -12.3 | -14.4 | 5.9 | 3.8 | -0.2 | 8.3 | 7.2 | 28.7 | -- |
| Total Farm Cash Receipts (quarterly) | -8.0 | -3.9 | 15.9 | -- | -- | -- | -- | -- | -- |
| Manufacturing Shipments NEW! | -23.7 | 11.0 | 17.5 | 16.7 | 16.4 | 17.0 | 18.3 | 22.4 | -- |
| Wholesale Trade | -15.9 | 10.8 | 14.4 | 17.2 | 18.1 | 15.4 | 13.4 | -- | -- |
| Building Permits | -14.2 | 2.1 | 6.8 | 11.7 | -14.9 | 17.4 | 39.4 | 28.2 | -- |
| Residential | -11.8 | 24.7 | -2.4 | -10.2 | -3.6 | 9.5 | 29.0 | 33.4 | -- |
| Non-residential | -16.3 | -19.0 | 20.2 | 51.9 | -26.1 | 30.3 | 53.0 | 21.3 | -- |
| Business Bankruptcies | 405 | 378 | 174 | 22 | 16 | 15 | 26 | -- | -- |
| % change | -9.4 | -6.7 | -32.3 | -37.1 | -30.4 | -44.4 | -13.3 | -- | -- |

Government of Alberta ■
Finance

Alberta

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1–June 30).

[2] Quarterly, average of Calgary and Edmonton

**Sources:** All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

# Current Economic Indicators by Province